



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 23, 2015**

FROM: GENERAL SERVICES DEPARTMENT **WARDS: ALL**

SUBJECT: EXTENSION OF BID NO. 7172 FOR THE PURCHASE OF NEW TIRES AND TUBES FOR CITY VEHICLES IN ACCORDANCE WITH PURCHASING RESOLUTION 22576 SECTION 201(G) – \$202,014.05

ISSUE:

The issue for City Council consideration is approval to extend Bid No. 7172 for new tires and tubes from Eagle Road Service & Tire (Eagle Tire) for the purchase of new automotive and truck tires and medium truck tires and tubes for various City vehicles in accordance with Purchasing Resolution 22576, Section 201(g).

RECOMMENDATION:

That the City Council approve the extension of Bid No. 7172 for the purchase of automotive and truck tires and tubes and for medium truck tires and tubes in the amount of \$202,014.05 for the period of July 1, 2015 through June 30, 2016 from Eagle Tire, of Riverside, California in accordance with Purchasing Resolution 22576, Section 201(g).

BACKGROUND:

The Fleet Management Division purchases tires and tubes to maintain vehicles for multiple City departments. The City's fleet currently consists of approximately 1,361 vehicles and equipment needing tires and tubes. On August 27, 2013 the City Council awarded Bid No. 7172 to Eagle Tire for automotive and truck tires and tubes.

Purchasing Resolution 22576, Section 201(g), states that competitive procurement shall not be required when goods or services can be procured from a contractor who offers the same or better price, terms and conditions as the contractor previously offered as the lowest responsible bidder under competitive procurement or negotiations conducted by the City or another public agency, provided that, in the opinion of the City's Purchasing Services Manager, it is in the best interest of the City to do so. Consistent with the Purchasing Resolution, a new procurement is not needed in this instance as the current contractor has agreed to extend the current contract pricing for an additional year, through June 30, 2016. It is not unusual for a contractor to offer to extend contract pricing beyond an initial bid period as this allows the vendor an opportunity to extend their business relationship with the City. In turn, the City is able to continue receiving services from a known vendor at favorable rates previously established through a competitive procurement.

The Purchasing Services Manager concurs with the recommendation above.

FISCAL IMPACT:

The total cost is \$202,014.05. Sufficient funds are available in the proposed Fiscal Year 2015/16 budget, General Services Central Garage Account No. 0000650–141200.

Prepared by:	Kris Martinez, General Services Director
Certified as to	
availability of funds:	Brent A. Mason, Finance Director/Treasurer
Approved by:	Deanna Lorson, Assistant City Manager
	for John A. Russo, City Manager
Approved as to form:	Gary G. Geuss, City Attorney